

Joint Committee on Finance, March 27, 1997

7-b.

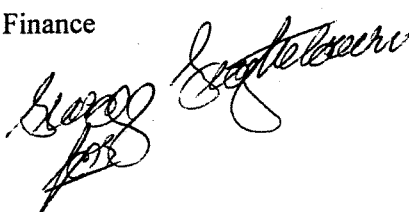
VII-b. Department of Corrections--Michael J. Sullivan, Secretary

The Department of Corrections requests the transfer of \$3,731,000 in FY97 between the department's appropriations to add 146.78 GPR FTE positions and fund the start-up and operation of 7 barracks, provide for the start-up of the Prairie du Chien Correctional Facility and add a 1.0 GPR FTE position and funding to expand the Challenge Incarceration Program (Boot camp).

Governor's Recommendation

Approve as requested.

CORRESPONDENCE MEMORANDUM

STATE OF WISCONSIN
Department of Administration**Date:** March 27, 1997**To:** Members, Joint Committee on Finance**From:** Mark D. Bugher, Secretary
Department of Administration**Subject:** Section 13.10 Request #3 from the Department of Corrections Relating to Correctional Barracks, Prairie du Chien Correctional Facility and the Challenge Incarceration Program**Request**

The Department of Corrections (DOC) requests the transfer of \$3,731,000 in FY97 between DOC appropriations to add 146.78 GPR FTE positions and fund the start-up and operation of 7 barracks, provide for the start-up of the Prairie du Chien Correctional Facility and add a 1.0 GPR FTE position and funding to expand the Challenge Incarceration Program (Boot camp).

Background

On March 14, 1997, the DOC adult inmate population stood at 13,460. The operating capacity of the adult prison system, including contracted jail beds, is currently 9,040. The prison system is currently operating at 149% of capacity and over the past year the average growth has been 156 new inmates per month.

In response to serious prison overcrowding, construction of 7 correctional barracks, within the perimeter of existing prisons, was approved at the October 1996 meeting of the State Building Commission. Four of those barracks are scheduled to be ready for occupancy in May, 1997 and the remaining 3 will be ready for occupancy by July, 1997. These barracks will increase the capacity of DOC prisons by 1,050 beds. The Governor's biennial budget recommendations include full funding for operating the 7 barracks, however initial start-up and training funding has not been provided for FY97.

While the adult population is growing faster than anticipated, the juvenile institution population has declined from 1,023 in February of 1996 to 900 in February of 1997. As a result of this decline in juvenile population the Governor's biennial budget recommends that the Prairie du Chien Correctional Facility be used as a temporary placement for an average daily population of 227 young adult offenders during FY97. The Governor's biennial budget recommendation provides GPR funding and statutory language to allow the Division of Adult Institutions to contract with the Division of

Juvenile Corrections to operate Prairie du Chien at a daily rate not to exceed \$65 per inmate.

Analysis

DOC is requesting the following transfers between appropriations and increases in the number of FTE positions to provide start-up and operating funds for 7 barracks in FY97, provide start-up funding to operate Prairie du Chien as a temporary placement for young adult offenders and expand the capacity of the Challenge Incarceration Program at the St. Croix Correctional Center by 30 beds.

From appropriation 20.410:	To appropriation 20.410:	Amount	FTE
Barracks start-up and staffing:			
(3) (cg), Serious juvenile offenders	(1) (a), General program operations	\$1,187,100	146.78
(1) (ab), Intergovernmental corrections agreements	(1) (a), General program operations	1,055,900	
(1) (ab), Intergovernmental corrections agreements	(1) (aa), Institutional repair and maint.	3,500	
(1) (ab), Intergovernmental corrections agreements	(1) (f), Utilities, fuel, heating and cooling	14,700	
	Subtotal for barracks	\$2,261,200	146.78
Prairie du Chien start-up:			
(1) (m), Federal project operations	(1) (ac), Temporary placement of young adult offenders (proposed in SB113)	1,419,200	
	Subtotal for Prairie du Chien	\$1,419,200	
Challenge Incarceration Program:			
(1) (ab), Intergovernmental corrections agreements	(1) (b), Field supervision	15,200	1.0
(1) (ab), Intergovernmental corrections agreements	(1) (d), Purchased services for offenders	35,400	
	Subtotal for Challenge Incarceration	\$50,600	1.0
	Total Transfers and positions requested	\$3,731,000	147.78

Barracks start-up and staffing. The funding and 146.78 FTE GPR positions requested will allow DOC to hire and train staff in FY97 in preparation for opening the barracks and begin using the critically needed prison beds as soon as the barracks are ready for occupancy. Part of the funding requested would come from the serious juvenile offender appropriation which has a projected ending balance of \$1,187,100 for FY97. The remaining \$1,074,100 of funding needed would be transferred from the intergovernmental corrections agreement appropriation which is expected to have an ending balance of \$2,739,100 because the filling of contract beds in Texas has been slower than anticipated.

The Governor's biennial budget recommends funding and 146.78 FTE GPR positions to operate the barracks in the 1997-99 biennium. If the positions in this request are

Members, Joint Committee on Finance

3/27/97

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approved, the biennial budget should be amended to remove the 146.78 positions recommended by the Governor to avoid duplication.

Prairie du Chien start-up. The funding for Prairie du Chien will allow DOC to prepare for the opening of the facility as soon as funding is provided in the biennial budget to operate Prairie du Chien as an adult facility in FY98. This request will allow for the one-time purchase of an inventory of equipment and supplies and to assume the cost of the current staff and hire and train the remainder of the necessary staff. The funding for this purpose is a transfer of \$1,419,200 PRF from DOC's federal appropriation to a new appropriation created in SB 113. SB 113 is currently awaiting the Governor's signature. The federal funds were received as the State Criminal Alien Assistance Grant and are authorized for general program operations.

Challenge Incarceration Program Expansion. The boot camp program at St Croix Correctional Center has the facilities for another 30 inmates, but lacks the program staff to accommodate those inmates. The addition of a 1.0 FTE GPR position and funding for purchase of services to contract for education, job and pre-release counseling and AODA treatment will increase DOC's capacity by 30 beds. This additional programming can help significantly to reduce overcrowding because inmates that successfully complete this program are released from prison to community supervision. The \$50,600 of funding needed would be transferred from the intergovernmental corrections agreement appropriation which is expected to have an ending balance of \$2,739,100 for FY97 because filling of contract beds in Texas has been slower than anticipated.

Recommendation

Approve as requested.

Prepared by: Roger Fetterly 266-2213

VII-6

Tommy G. Thompson
Governor

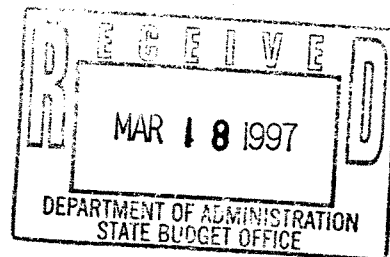
Michael J. Sullivan
Secretary



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State of Wisconsin Department of Corrections

March 18, 1997



To: Honorable Brian B. Burke, Co-Chair
Joint Committee on Finance

Honorable Scott Jensen, Co-Chair
Joint Committee on Finance

From: Michael J. Sullivan, Secretary
Department of Corrections

A handwritten signature in cursive script, appearing to read 'Michael J. Sullivan'.

Re: March Meeting of the Joint Committee on Finance under s. 13.10

The Department of Corrections requests that the attached s. 13.10 request be placed on the March agenda. The request addresses the critical bed shortage that the department is experiencing, in three ways:

First, a transfer of \$2,261,200 and authorization for 146.78 FTE are requested to staff and operate seven correctional barracks which were approved as emergency housing by the State Building Commission.

Next, a transfer of \$1,419,200 is requested to fund training, start-up and operating costs at the correctional facility at Prairie du Chien for fiscal year 1996-1997, per Senate Bill 113.

Finally, a transfer of \$50,600 is requested to expand programming at the Challenge Incarceration Program (Boot Camp) through purchase of services and 1.0 FTE.

I regret that the submission to the Joint Committee on Finance did not meet the regular schedule. Until recently, it appeared that the department's needs would be addressed by special legislation.

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State of Wisconsin Department of Corrections

March 18, 1997

To: The Honorable Brian Burke, Co-Chair
Joint Committee on Finance

The Honorable Scott Jensen, Co-Chair
Joint Committee on Finance

From: Michael J. Sullivan, Secretary
Department of Corrections

Subject: S. 13.10 Request

The Department of Corrections requests the following reallocations to provide staff, training and operating costs for seven 150 bed barracks in FY 97, fund start-up, training and operational costs at the correctional facility at Prairie du Chien in FY 97 and increase programming and staff at the Challenge Incarceration Program:

Barracks

Transfer \$1,187,100 from appropriation s. 20.410 (3) (cg) to appropriation s. 20.410 (1) (a) and \$1,055,900 from appropriation s. 20.410 (1) (ab) to s. 20.410 (1) (a) to fund startup, training, operating costs, and one-time costs, for fiscal year 1997, and to increase the authorized FTE positions for the department by 146.78 GPR positions.

Transfer \$3,500 from appropriation s. 20.410 (1) (ab) to s. 20.410(1) (aa) for repair and maintenance costs.

Transfer \$14,700 from appropriation s. 20.410 (1) (ab) to s. 20.410 (1) (f) for fuel and utilities.

Full funding of \$5.2 million annually is included in the 1997-1999 biennial budget request.

Senator Brian Burke
Representative Scott Jensen
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Facility at Prairie du Chien

Transfer \$1,419,200 from appropriation s. 20.410 (1) (m) to appropriation s. 20.410 (1) (ac), to fund training, startup, and operating costs at the correctional facility at Prairie du Chien for fiscal year 1996-1997, per Senate Bill 113.

Challenge Incarceration Program

Transfer \$15,200 from appropriation s. 20.410 (1) (ab) to 20.410 (1) (b) to fund 1.0 FTE program assistant for program support.

Transfer \$35,400 from appropriation s. 20.410 (1) (ab) to appropriation s. 20.410 (1) (d) to fund purchase of services for additional programming.

Revenue Sources for Appropriation

The source of revenue deposited in appropriation 20.410 (1) (m) is the Federal Alien Assistance Grant of \$1,419,200 that the department received in fiscal year 1997.

Background

Overcrowding in adult institutions has reached critical proportions. On March 14, 1997, there were 13,227 inmates incarcerated in Wisconsin in both institution and contract beds, and 233 inmates in Texas for a total population of 13,460. Operating capacity in Wisconsin on the same date was 9,901. The department is also authorized to contract for up to 700 beds in Texas.

In response to the serious overcrowding problem, seven barracks were authorized as emergency housing by the State Building Commission in October, 1996. Each of the barracks, which are located at six different institutions, will provide housing for 150 inmates for a total of 1,050 beds. Four of the barracks projects are scheduled for completion in May, 1997, and the remaining three in July, 1997. When the barracks are occupied, the operating capacity in Wisconsin, will be 10,951.

The department requests a transfer of \$2,243,000 to appropriation s. 20.410 (1) (a) to fund the operation of the barracks for fiscal year 1996-1997, and to increase the authorized FTE positions for the department by 146.78 GPR positions. A transfer of \$14,700 for fiscal year 1996-1997 is requested to be placed in the appropriation s. 20.410 (1) (f) for fuel and utility costs, and a transfer of \$3,500 for fiscal year 1996-1997, to s. 20.410 (1) (aa) for repair and maintenance.

Senator Brian Burke
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March 18, 1997
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Prairie du Chien

The department requests the transfer of \$1,419,200 for fiscal year 1996-1997 to appropriation s.20.410 (1) (a) to train staff, fund startup, and operate the correctional facility at Prairie du Chien.

The institution at Prairie du Chien was authorized in 1995 WI Act 27 as a secure juvenile facility. Since that time, adult populations have risen significantly, but juvenile populations have not risen as fast as anticipated by the department's forecasts. In fact, from June, 1996 to December, 1996, the juvenile population declined by 113. The department believes that the temporary use of the facility as an adult prison could provide relief for overcrowded adult facilities. Plans are to convert this facility back to a juvenile correctional facility.

The staff will be trained to work in juvenile and adult institutions. The staff will be able to provide trained backup to the Supermax, which will be located in Boscobel. The biennial budget contains language that requires the division of adult institutions (DAI) to be fully responsible for the full cost of operations, up to a rate of \$65 per person per day. DAI and the division of juvenile corrections (DJC) will develop working arrangements through an intra-agency agreement. The \$6.5 million cost of operations is included in the department's biennial budget request.

Challenge Incarceration Program

The Challenge Incarceration program (St. Croix Correctional Center), was originally authorized in 1989 WI Act 122. Prior to Act 122, St. Croix had operated as a small center. The program was further expanded in 1991 WI Act 39, to accommodate 75 beds.

In the department's s. 13.10 request of September 26, 1996, 5.0 correctional officers were approved to provide security supervision for 30 additional inmates. The Boot Camp can only provide housing and security for these additional 30 inmates at St. Croix. There is not sufficient staff to provide counseling, education, and alcohol and other drug abuse programming. As a result, inmates will not have the opportunity to participate in programming which could better equip them for successful reentry into the community.

This request is for 1.0 GPR FTE and \$15,200 under section 20.410 (1) (b) to fund the program assistant position, and \$35,400 under section 20.410 (1)(d) in fiscal year 1996-1997 for purchase of services to provide contract moneys for a teacher, social worker, and alcohol and drug abuse program. The annual cost of the FTE is \$30,500, and the annual cost of the purchase of services is \$141,600.

Senator Brian Burke
Representative Scott Jensen
March 18, 1997
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Summary

The Department of Corrections requests \$ 3,731,000 and 147.78 GPR FTE in fiscal year 1997, in order to (1) open and staff seven barracks, (2) train staff, provide startup funds, and operate the Prairie du Chien facility temporarily as a young adult facility , and (3) expand the Challenge Incarceration Program.

Federal grant money provides \$1,419,200 of the funds requested. The balance of \$2,311,800 is transferred from other department appropriations, specifically Intergovernmental corrections agreements (ab) and Serious juvenile offenders (cg).

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To: <i>Gene Bauer</i>		From: <i>McCauley</i>
Co.	Co.	
Dept.	Phone # <i>7-0930</i>	
Fax # <i>7-6873</i>	Fax #	



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**Wisconsin
Department of Corrections**

DOC FINDS 330 PRISON BEDS IN FEDERAL SYSTEM

FOR IMMEDIATE RELEASE:
March 19, 1997

CONTACT: BILL CLAUSIUS
(608) 266-2940

(Madison)...The Wisconsin Department of Corrections will place up to 330 adult prison inmates in two federal prison facilities within the next few weeks.

"Due to the severe crowding our adult correctional system is experiencing, we have no choice but look for solutions to alleviate the conditions we find inside our facilities," said Michael J. Sullivan, Secretary of the Department of Corrections.

Once negotiations with the Federal Bureau of Prisons has been completed, up to 300 minimum security inmates will be placed at the Federal Prison Camp in Duluth, Minnesota. In addition, another 30 minimum security inmates will be transferred to the prison camp located next to the Federal Correctional Facility in Oxford, Wisconsin.

"We already have an existing contractual agreement with the Federal Bureau of Prisons for transfer of Wisconsin inmates," Sullivan said.

"Negotiations are underway at this time with the federal prison system. Cost of this arrangement has not been determined," Sullivan said.

"The crowding in our prisons is at all security levels: maximum, medium and minimum," said Sullivan.

Prisons in the Wisconsin Department of Corrections have an operating capacity of 9,538. The current adult population on March 14, 1997 was 13,460, the highest prison population in Wisconsin correctional history.

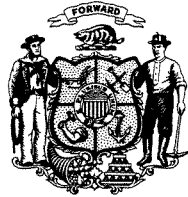
Sullivan said the Department is making a number of efforts to find additional prison beds in anticipation of further increasing offenders entering the correctional system.

"This effort is being made to alleviate immediate crowding problems in the prisons, but this in no way diminishes the need for prison beds and resources as outlined in the Governor's budget," Sullivan said.

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State of Wisconsin Department of Corrections

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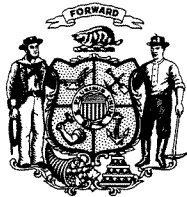
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Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

March 27, 1997

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Health and Family Services--Foster Care and Adoption Assistance Funding--Agenda
Item VIII

The Department of Health and Family Services (DHFS) requests the Committee to transfer \$393,000 GPR in 1996-97 from the appropriation under s. 20.435(2)(bj), conditional and supervised release treatment and services, to the appropriation under s. 20.435(3)(dd), state foster care and adoption services, to fund increased costs of foster care and adoption assistance payments for children with special needs.

BACKGROUND

The state serves as guardian for children, except children from Milwaukee County, whose parental rights have been terminated and who are determined to have special needs. DHFS is responsible for providing out-of-home care for these children and adoption services such as recruitment, orientation and study of prospective adoptive families. Milwaukee County is responsible for providing these types of adoption services (but not adoption assistance payments) and out-of-home care for children with special needs from Milwaukee County.

DHFS makes foster care payments on behalf of these children who are placed in foster homes. These payments are based on the uniform foster care rate established in statute. For children with special needs, DHFS may increase the statutory basic foster care maintenance rates with supplemented payments in accordance with conditions specified in administrative rule.

DHFS provides adoption assistance to certain families who adopt children with special needs in cases where the payment is necessary to assure the child's adoption. Adoption assistance is provided to support monthly maintenance, medical, and nonrecurring adoption

expenses. Adoption assistance maintenance payments are equal to the foster care payment that was made on behalf of the child prior to the child's adoption. If the child was not in foster care prior to adoption, the maintenance payment is based on the applicable uniform foster care rate. DHFS must enter into an agreement to provide adoption assistance prior to a legal adoption.

Federal funding authorized under Title IV-E of the federal Social Security Act is used to fund reimbursement for foster care and adoption assistance costs for children from AFDC-eligible homes.

ANALYSIS

DHFS is budgeted \$23,083,000 (\$11,827,700 GPR and \$11,255,300 FED) in 1996-97 to make foster care and adoption assistance payments for children with special needs. Based on the DHFS analysis of current payments, DHFS projects that 1996-97 expenditures will exceed budgeted funds by \$619,900 (all funds). The Department requests that the Committee transfer \$393,000 GPR from the appropriation for conditional release treatment and services appropriation to the foster care and adoption services appropriation to cover projected costs for the remainder of 1996-97. In addition, DHFS would request DOA to increase its federal expenditure authority by \$226,900 to reflect federal revenues received as a result of this increase in state expenditures.

The state's costs of providing foster care and adoption assistance payments are determined by two factors -- caseload and average payment levels. During the 1995-97 biennium, the actual costs of making adoption assistance payments increased at a rate greater than anticipated during 1995-97 biennial budget deliberations. This unanticipated growth is primarily attributed to increased prosecution of termination of parental rights (TPR) cases in Milwaukee County. Successful prosecution of such cases legally frees children for adoption and subsequently increases adoption assistance costs.

1995 Wisconsin Act 303 provided funding to the Committee's supplemental appropriation for district attorney, guardian ad litem and casework services in order to address the backlog of TPR cases in Milwaukee County in preparation for the state's assumption of providing child welfare services in Milwaukee County, beginning January 1, 1998. The Committee transferred this funding to the Department in June, 1996.

The Committee's June, 1996, action enabled the Milwaukee County District Attorney's (DA) Office to hire two project district attorneys to address the backlog of TPR cases referred to it by the Milwaukee County Department of Human Services. The current increase in adoption assistance payments can be attributed to these additional prosecutions. In addition, the DA's Office is anticipating a significant increase in TPR case referrals from the Milwaukee County Human Services Department, beginning in mid-April. These referrals are expected as a result of funding authorized in Act 303 for casework services. Based on the timeline for prosecuting TPR cases, the DA's Office anticipates that adoption assistance payments will increase

substantially beginning in July, 1997, which will affect adoption assistance expenditures in the 1997-99 biennium.

Data from the DHFS foster care and adoption assistance payment system indicate that from September through December 1996, monthly adoption assistance cases increased by an average of 51 cases, compared with an average monthly increase of 27 cases for the period between January and August, 1996.

The following table indicates the growth of adoption assistance payments for the last three years.

**Adoption Assistance Payments
January, 1994 thru December, 1996**

	<u>Average Monthly Totals</u>	<u>Percent Change</u>	<u>Average No. of Monthly Payments</u>	<u>Percent Change</u>
January-June 1994	\$980,515	---	2,000	---
July-December 1994	1,089,604	11.1%	2,084	4.2%
January-June 1995	1,170,646	7.4	2,116	1.5
July-December 1995	1,294,757	10.6	2,258	6.7
January-June 1996	1,430,331	10.5	2,443	8.2
July-December 1996	1,584,778	10.8	2,638	8.0

Based on an analysis of monthly caseload and expenditure data, it is projected that state expenditures for foster care and adoption assistance payments will total \$23,748,000 (\$12,265,800 GPR and \$11,482,200 FED) in 1996-97. Based on the reestimate, an additional \$438,100 GPR and \$226,900 FED will be required in order for the state to meet its obligations to make foster care and adoption assistance payments in 1996-97. The additional funding that is required to meet projected payments exceeds the amount of funding DHFS requests for transfer by \$45,100 GPR. No adjustment in the projected amount of federal funding is required as a result of this reestimate.

DHFS requests that funding to support the increased costs of making adoption assistance agreements be transferred from a biennial appropriation that supports treatment, services and case management for: (a) persons who are conditionally released to the community from the state mental health institutes after being found not guilty by reason of mental disease or mental defect; and (b) persons placed in a supervised release program in the community as a result of an involuntary commitment as a sexually violent person.

For 1996-97, a total of \$3,141,000 GPR was budgeted to support services for persons who are conditionally released and persons who are in a supervised release program. However, in 1995-96, budgeted funds exceeded expenditures by \$516,800. This amount was carried forward from the 1995-96 appropriation and is available to support 1996-97 program costs. In January, 1997, this office estimated that \$1,000,000 from this appropriation would lapse to the general fund on June 30, 1997. The Committee's action to transfer funding from this appropriation to support increased costs of adoption assistance payments will reduce the projected 1997-98 opening balance of the state's general fund by a corresponding amount.

CONCLUSION

The state is required to pay foster care payments on behalf of children for whom it serves as guardian. These payments are based on the uniform foster care rate established by statute and supplemental foster care rates determined according to guidelines specified by rule. Adoption assistance payments are based on the foster care payment made on behalf of the child prior to adoption and are established in written agreements between the state and the adoptive family. Consequently, adoption assistance payments to families cannot be modified or delayed. For this reason, the Committee may wish to approve the transfer of \$438,100 GPR in 1996-97 from the appropriation under s. 20.435(2)(bj) to the appropriation under s. 20.435(3)(dd) to support projected increases in costs of providing foster care and adoption assistance payments in 1996-97.

Prepared by: Rachel Cissne

MO# Conclusion

2 BURKE	<u>Y</u>	N	A
DECKER	<u>Y</u>	N	A
GEORGE	Y	N	<u>A</u>
JAUCH	Y	N	<u>A</u>
WINEKE	<u>X</u>	<u>N</u>	A
SHIBILSKI	<u>Y</u>	N	A
COWLES	<u>Y</u>	<u>N</u>	A
PANZER	<u>Y</u>	N	A
1 JENSEN	<u>Y</u>	N	A
OURADA	<u>Y</u>	N	A
HARSDORF	<u>Y</u>	N	A
ALBERS	<u>Y</u>	N	A
PORTER	<u>Y</u>	N	A
KAUFERT	<u>Y</u>	N	A
LINTON	<u>Y</u>	N	A
COGGS	<u>Y</u>	N	A

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